

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS ☒ WATER SANDS LOCATION INSPECTED SUB. REPORT/abd.

981204 LA'D EFF 11-23-98!

DATE FILED OCTOBER 6, 1997

LAND: FEE & PATENTED

STATE LEASE NO.

PUBLIC LEASE NO. UTU-69744

INDIAN

DRILLING APPROVED: OCTOBER 28, 1997

SPUDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED:

11-23-98 LA'D

FIELD: MONUMENT BUTTE

UNIT:

COUNTY: DUCHESNE

WELL NO. WELLS DRAW FEDERAL 12-5

API NO. 43-013-31950

LOCATION 2086 FNL FT. FROM (N) (S) LINE. 596 FWL

FT. FROM (E) (W) LINE. SW NW

1/4 - 1/4 SEC. 5

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
9S	16E	5	CELSIUS ENERGY				

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL ☐ GAS ☐
WELL ☒ WELL ☐

OTHER

SINGLE ☐ MULTIPLE ☐
ZONE ZONE

2. NAME OF OPERATOR

CELSIUS ENERGY COMPANY

3. ADDRESS OF OPERATOR

P. O. BOX 458, ROCK SPRINGS, WY 82902 (307) 382-9791

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface ^W
2086' FNL, 596' FNL, SW NW
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 11 miles south of Myton, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

596'

(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

80.08

17. NO. OF ACRES ASSIGNED TO THIS WELL

NA

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.

None

19. PROPOSED DEPTH

6,000'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5811' GR

22. APPROX. DATE WORK WILL START*

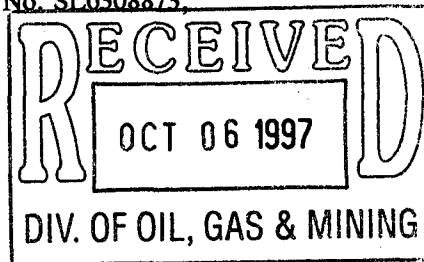
October 15, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
20"	16"	Corrugated Conductor	40'	35.9 cu.ft. of construction cement
12-1/4"	8-5/8"	24	300'	262 cu.ft. of Class "G" with 3% CaCl ₂
7-7/8"	4-1/2"	11.6	6000'	1503 cu.ft. of Hybond 65 System followed by Class "G" with Cal-Seal.

SEE ATTACHED DRILLING PLAN

Please be advised that Celsius Energy Company is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Nationwide Bond No. SL6308873, BLM Bond No. ES0019.



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

District Production Superintendent

SIGNED *E. M. Murrish* TITLE

DATE 10/21/97

(This space for Federal or State office use)

PERMIT NO. 43-013-31950

APPROVAL DATE

APPROVED BY *John R. Baya*

TITLE Associate Director

DATE 10/28/97

CONDITIONS OF APPROVAL, IF ANY:

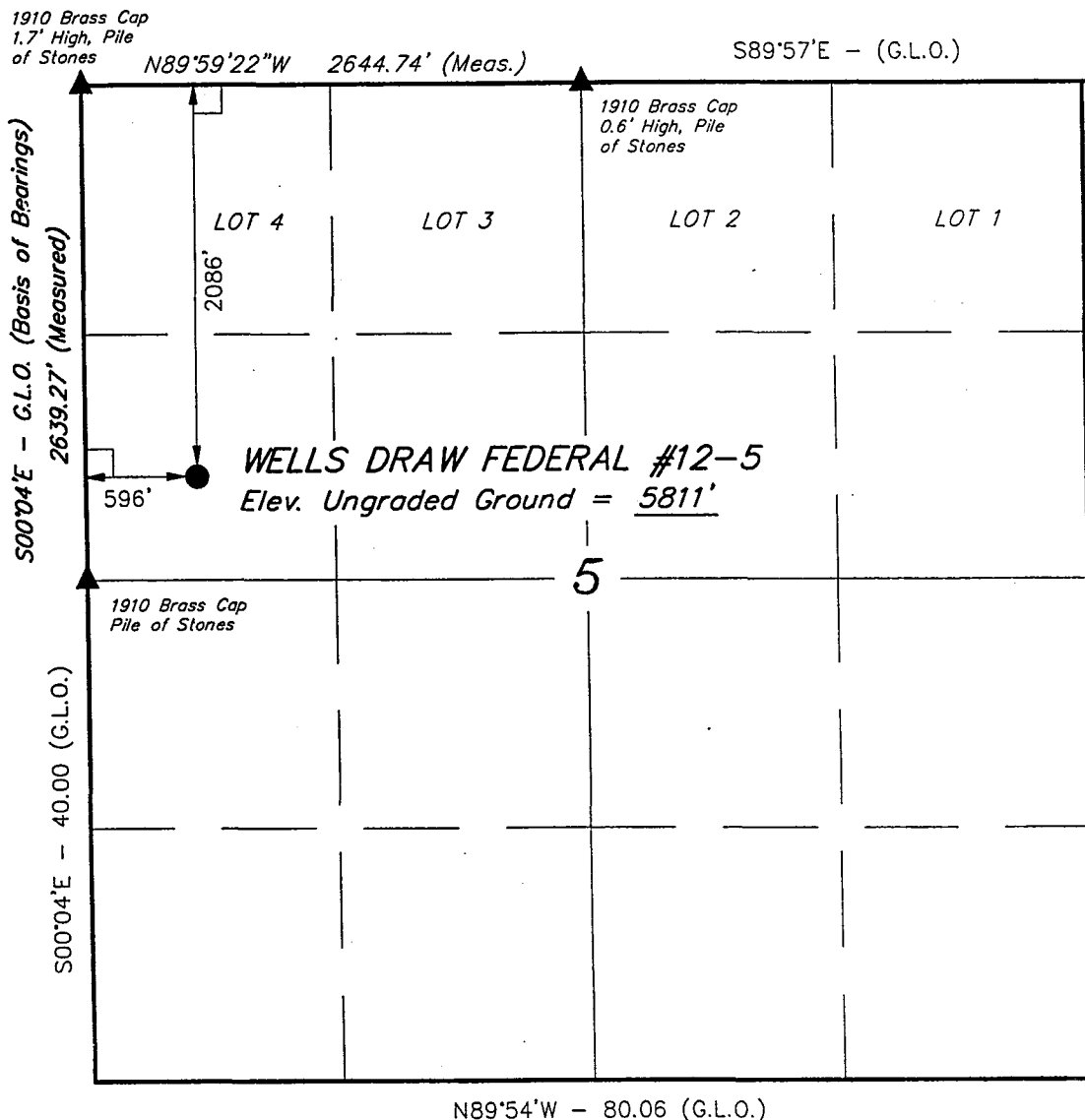
* See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

T9S, R16E, S.L.B.&M.

CELSIUS ENERGY CO.

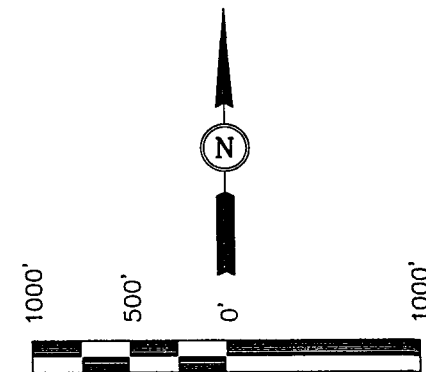
Well location, WELLS DRAW FEDERAL #12-5, located as shown in the SW 1/4 NW 1/4 of Section 5, T9S, R16E, S.L.B.&M. Duchesne County, Utah.



**T8S
T9S**

BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 5, T9S, R16E, S.L.B.&M. TAKEN FROM THE MYTON SW, QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5792 FEET.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert J. Day
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Revised: 09-05-97 D.R.B.

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 08-08-97	DATE DRAWN: 08-11-97
PARTY D.K. H.L. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE CELSIUS ENERGY CO.	

Drilling Plan
Celsius Energy Company
Wells Draw Federal Well No. 12-5
Duchesne County, Utah

- 1 & 2. SURFACE FORMATION, ESTIMATED TOPS AND WATER, OIL, GAS OR MINERAL BEARING FORMATIONS:

Duchesne River	-	Surface
Green River	-	1,785', Gas, Major Objective
PT3 Marker	-	4,435'
Douglas Creek Member	-	4,845'
Castle Peak Member	-	5,745'
Total Depth-Green River	-	6,000'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected.

3. PRESSURE CONTROL EQUIPMENT: (See attached diagram) Operator's minimum specifications for pressure control equipment require an 9-inch 3000 psi double gate hydraulically operated blowout preventer and an 9-inch 3000 psi annular preventer. BOP equipment will be tested to its rated working pressure or 70-percent of the internal yield of the surface casing. The annular preventer will be tested at 50-percent of its rated working pressure. NOTE: The surface casing will be pressure tested to a minimum of 1500 psi. BOP's will be checked daily as to mechanical operating condition and will be tested by rig equipment after each string of casing is run. All ram type preventers will have hand wheels which will be operative and accessible at the time the preventers are installed.

AUXILIARY EQUIPMENT:

- a) Manually operated kelly cock
- b) No floats at bit
- c) Monitoring of mud system will be visual
- d) Full opening floor valves in the full open position, capable of fitting all drill stem connections manually operated

4. CASING PROGRAM:

SIZE	INTERVAL Top Bottom		WEIGHT	GRADE	THREAD	CONDITION
16"	sfc	40'	Corrugated Conductor		None	Used
8-5/8"	sfc	300'	24	K55	STC	New
4-1/2"	sfc	6,000'	11.6	N80	LTC	New

CASING STRENGTHS:				COLLAPSE	BURST	TENSILE (minimum)
8-5/8"	24 lb.	K55	STC	1,370 psi	2,950 psi	263,000 lb.
4-1/2"	11.6 lb.	N80	LTC	6,350 psi	7,780 psi	223,000 lb.

CEMENTING PROGRAMS:

16" Conductor: Cemented to surface with construction cement.

8-5/8" Surface Casing: 262 cubic feet of Class "G" with 3% CaCl₂ (1/4% celloflake will only be used if lost circulation is encountered).

4-1/2" Production Casing: Minimum volume of 1,503 cubic feet of Hybond 65 system followed by 137 cubic feet of Class "G" with Cal-Seal (volume to be calculated from caliper log).

5. MUD PROGRAM: Fresh water with gel sweeps will be used from surface to 300 feet. Weighted mud (8.6 - 8.9 ppg) will be used from 300 feet to total depth.

Sufficient mud materials to maintain mud properties, control lost circulation and to contain blowout will be available at the well site.

No chrome constituent additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

6. LOGGING: DIL-SP-Cal - Total depth to surface casing.
LDT-CNL-GR-Cal - Across selected zones as determined by well site geologist.

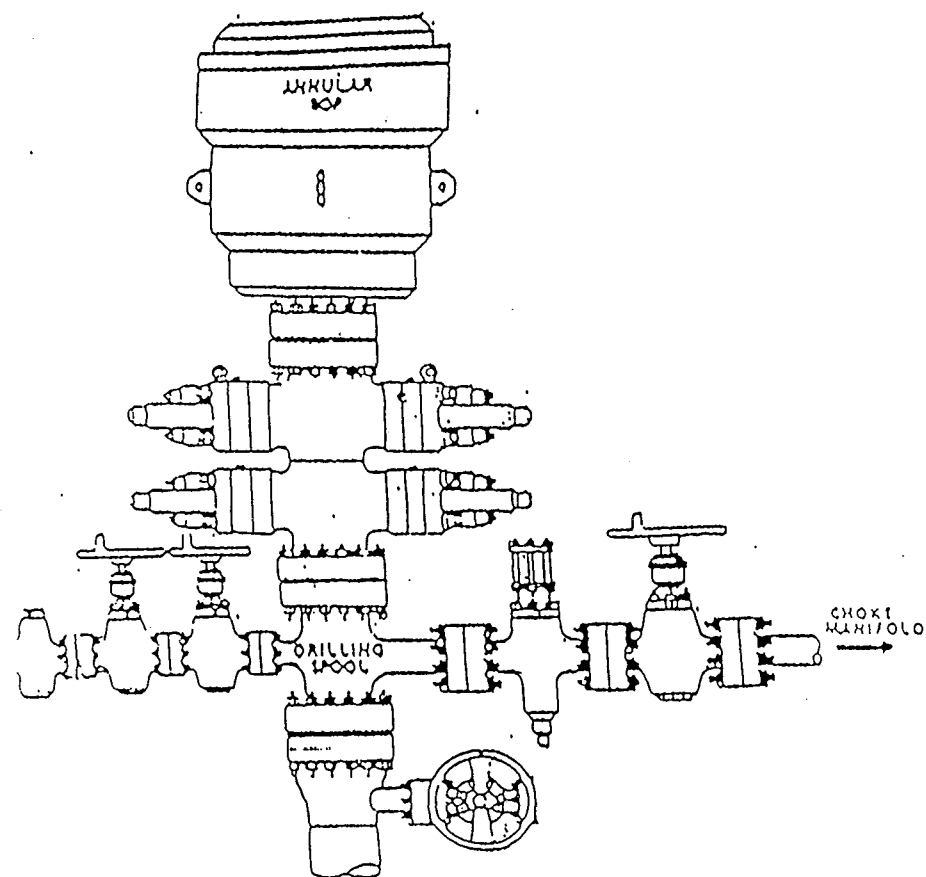
TESTING: None.

CORING: None.

7. ABNORMAL PRESSURE AND TEMPERATURE: No abnormal pressures are anticipated. A BHT of 140 degrees F and a BHP of 2500 psi are expected.

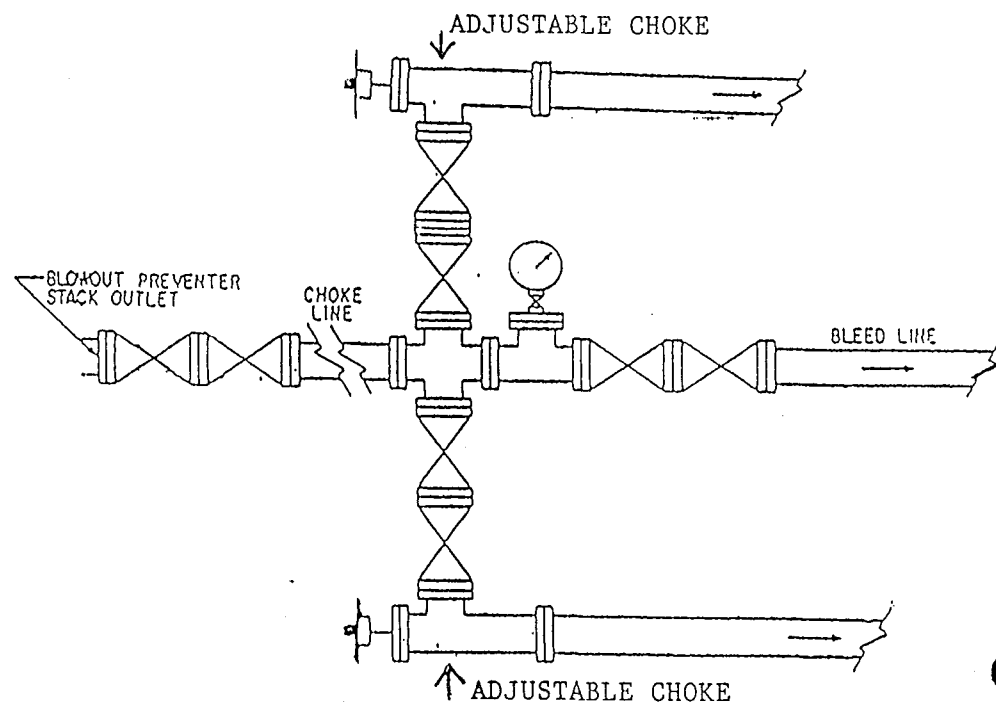
8. ANTICIPATED STARTING DATE: October 15, 1997

DURATION OF OPERATION: 35 days.



WEXPRO/CELSIUS 3K psi Blowout Prevention Equipment

NOTE: Drilling spool & choke lines will be a minimum of 3" on choke side and 2" minimum on kill side



Choke Manifold System

- NOTE: 1. Minimum Choke Manifold Configuration
2. Vent Lines will be on a downward grade from choke manifold to pit and anchored securely

Surface Use and Operations

Celsius Energy Company
Wells Draw Federal Well No. 12-5
Duchesne County, Utah

1. Existing Road:

- A. Proposed Well Site as Staked: Refer to well location plat and area map.
- B. Proposed Access Route: Refer to general area map. All access roads are within lease boundaries.
- C. Plans for Improvement and/or Maintenance: All existing roads utilized will be maintained in their present condition and no improvements will be made.

2. Planned Access Roads:

- A. The proposed 150 feet (approximate) of newly constructed road will be crowned and ditched with a 16 foot running surface. Construction of the access road will necessitate a 30' wide right-of-way (maximum disturbance).
- B. Maximum grade: Will not exceed 8 percent.
- C. Turnouts: No turnouts are required.
- D. Drainage design: Road drainage crossings will be of the typical dry creek drainage crossing type. Crossings will be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed.
- E. Location (center line): Access road has been staked and flagged. Surface disturbance and vehicular travel will be limited to the approved access route, additional area needed will be approved in advance.
- F. Surface materials: Cuts along the access road and location. Spot surfacing may be required to maintain the running surface.
- G. Any topsoil (six inches) removed in conjunction with road construction will be spread in the borrow ditches or windrowed to the side. Borrow areas will be seeded as discussed in Item No. 10.

3. Location of Existing Wells: Refer to area map for the location of existing wells within a one mile radius.

4. Location of Existing and/or Proposed Facilities: Refer to area maps. Layout of new facilities will be submitted via Sundry Notice prior to installation.

All permanent (on site for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted Desert Brown, a flat, non-reflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain one-and-a-half times the storage capacity of the battery.

Facilities will be applied for via Sundry Notice prior to installation.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and anchored securely downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

The proposed pipeline will be constructed and operated by Questar Gas Management. The pipeline will be approximately 1,250 feet in length. The proposed surface pipeline will be 3.5-inch O.D. polypipe. The width of the right-of-way requested is 50 feet for construction and will revert to 30 feet for operation and maintenance purposes. The pipeline will be either brown or black in color.

The maximum operating pressure that the natural gas pipeline is designed for is 150 psig. Associated facilities include above ground valving and piping at the lateral junctions.

5. Location and Type of Water Supply: Water will be hauled by tank trucks from the city of Myton, Utah.

6. Source of Construction Materials: All materials will be derived from cuts at the location and along the access road.

Construction material will be located on the lease.

7. Methods for Handling Waste Disposal: Cuttings and drilling fluids will be placed in a lined mud pit which will be constructed with at least one half of its holding capacity below ground level. The mud pit will be fenced on three sides with a sheep tight fence of woven wire prior to the onset of drilling. Immediately upon completion of drilling, the fourth side will be fenced and the liquids allowed to evaporate. The fence will be maintained until restoration. Any produced liquids will be contained in test tanks and hauled out by tank trucks. Garbage and other waste materials will be placed in a trash cage, the contents of which will be disposed of in the nearest legal landfill. Portable sewage facilities will be utilized for the disposal of human waste.

Produced waste water will be confined to the reserve pit for a period not to exceed 90 days after initial production. During the 90 day period an application for approval of a permanent disposal method and location will

be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order.

8. Ancillary Facilities: Camp facilities will not be required.
9. Well Site Layout: Refer to drawing.
10. Plans for Restoration of the Surface: During construction, all woody vegetation and the top six inches of topsoil material will be removed from the pad and stockpiled separately. The topsoil will be left in windrows to decrease the profile. All pits will remain fenced until cleanup begins. Overhead flagging will be installed if oil is in the mud pit.

Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc. will be removed. All disturbed areas will be recontoured to the approximate natural contours to the satisfaction of the AO.

The stockpiled topsoil will be evenly distributed over the disturbed areas. Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface. Reseeding will be done between September and October before the ground freezes.

A seed drill equipped with a regulator will be required. Seed will be drilled 1/4 - 1/2 inch deep on the contour using a seed mixture specified by the Bureau of Land Management.

Where drilling is not possible a broadcast/rake method will be used doubling the seed mixture.

11. Surface and Mineral Ownership: Surface ownership along the access road is federal and surface ownership at the well site is federal.
12. Other Information: Stan Olmstead of the Bureau of Land Management, Diamond Mountain Resource Area, in Vernal, Utah will be notified at least 72 hours prior to commencement of both construction and reclamation operations.

The dirt contractor will have a copy of any additional stipulations and the surface use plan on-site during the construction and reclamation operations.

A Class III Cultural Resource Inventory has been completed and the report forwarded to the BLM. If any cultural resources are found during construction, all work will stop, and the AO will be notified.

No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

13. Lessee's or Operators Representative and Certification:

Eric. D. Marsh, District Production Superintendent, 1331 17th Street, Suite 800, Denver, Colorado 80202-1558, telephone number (303) 672-6920.


Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which currently exist, that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Celsius Energy Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

DATE

9/25/97

NAME


Eric D. Marsh, District Production
Superintendent

2086' FNL 596' FWL

Proposed Access Road

C-1.7'
El. 811.7'

Approx.
Toe of
Fill Slope

F-5.8'
El. 804.2'

F-10.8'
El. 799.2'

Sta. 3+00

SCALE: 1" = 50'
DATE: 09-05-97
Drawn By: D.R.B.

Approx. —
Top of
Cut Slope

FLARE PIT

PIPE RACKS

C-3.2'
El. 813.2'

C-1.2'
El. 811.2'

F-4.9'
FL 805.1'

Sta. 1+25

El. 819.1'
C-17.1'
(btm. pit)

Topsoil Stockpile

10' WIDE BENCH

RESERVE PITS
(8' Deep)

*Pit Capacity With
2' of Freeboard
is 5,930 Bbls. ±*

Sta. 0+37

El. 820.9' /
C-18.9'
(btm. pit)

El. 814.1'
C-4.1'.

*Reserve Pit Backfill
& Spoils Stockpile*

C-3.5'
El. 813.5'

C-1.2' Topsoil Stockpile
El. 811.2'

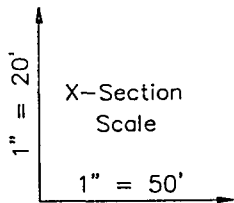
F-3.6'
El. 806.4'

Elev. Ungraded Ground at Location Stake = 5811.2'

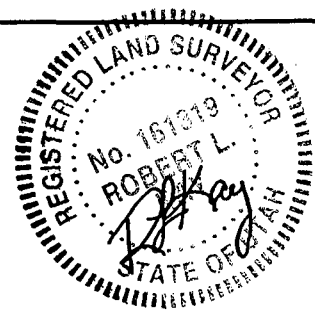
Elev. Graded Ground at Location Stake = 5810.0'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah (801) 789-1017

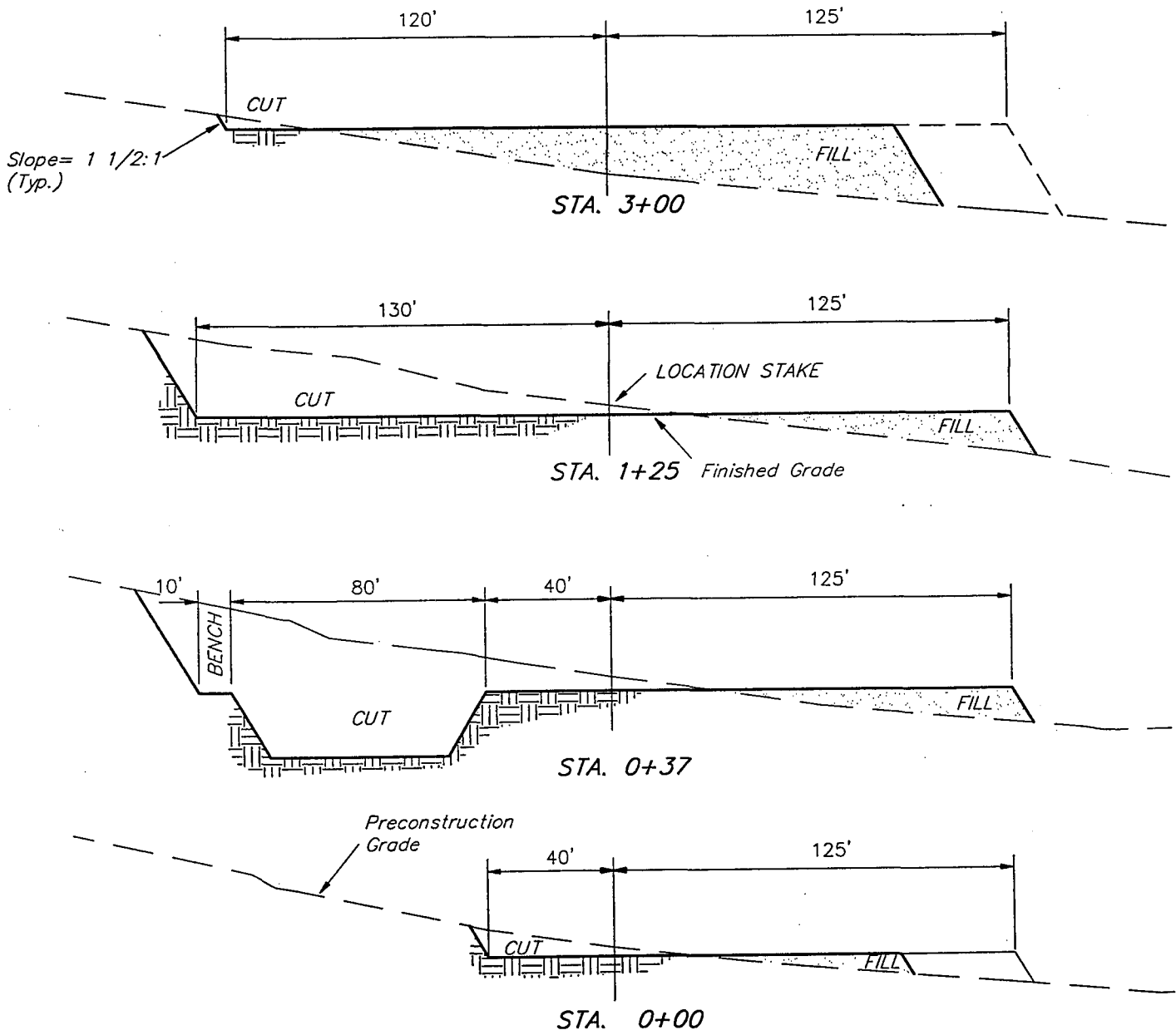
85 So. 200 East * Vernal, Utah (801) 789-1017



CELSIUS ENERGY CO.
TYPICAL CROSS SECTIONS FOR
WELLS DRAW FEDERAL #12-5
SECTION 5, T9S, R16E, S.L.B.&M.
2086' FNL 596' FWL



DATE: 09-05-97
Drawn By: D.R.B.



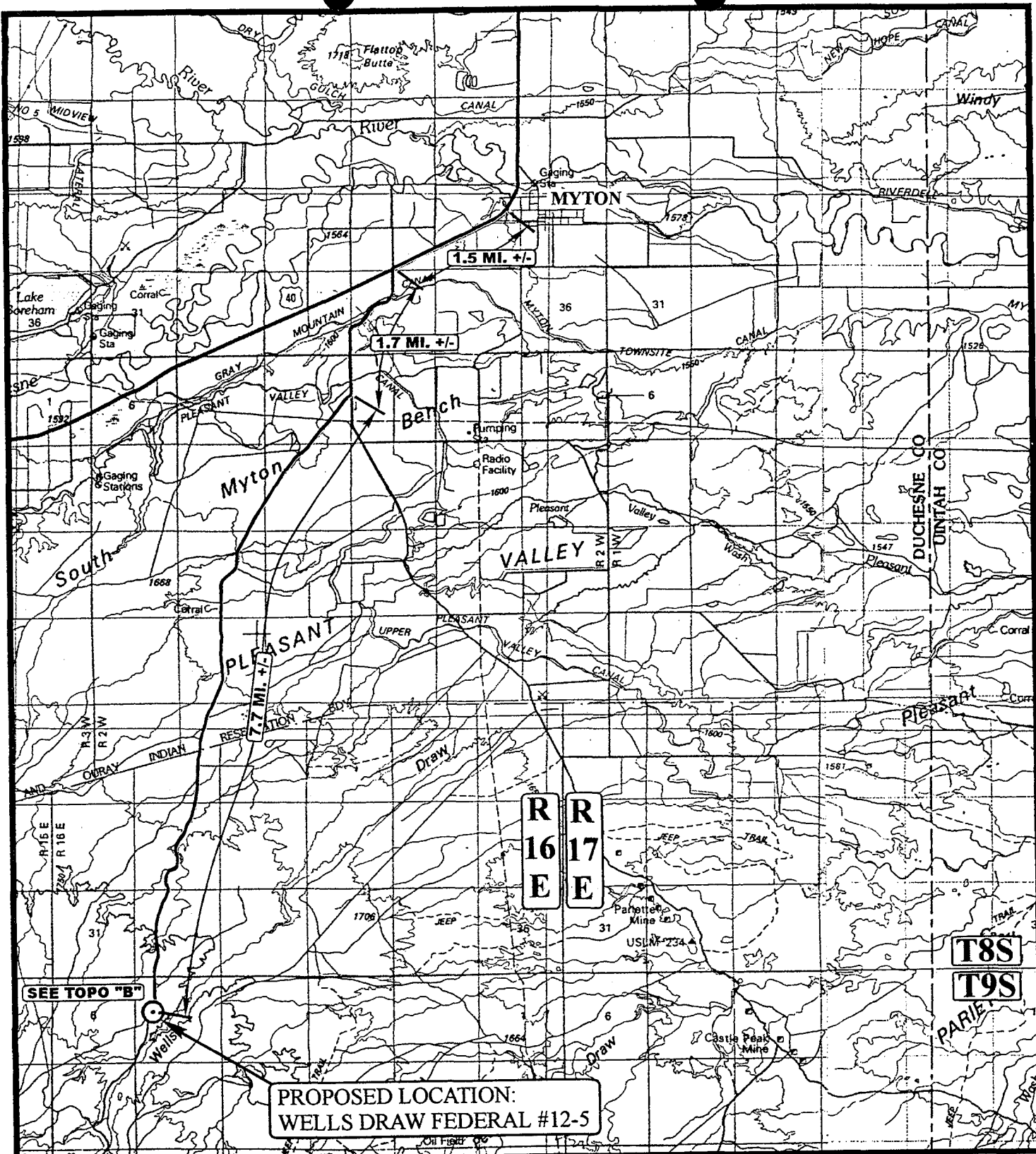
APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,320 Cu. Yds.
Remaining Location = 7,120 Cu. Yds.

TOTAL CUT = 8,440 CU.YDS.
FILL = 5,920 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION = 2,210 Cu. Yds.
Topsoil & Pit Backfill
(1/2 Pit Vol.) = 2,210 Cu. Yds.
EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah (801) 789-1017



LEGEND:

○ PROPOSED LOCATION

N

CELSIUS ENERGY COMPANY

WELLS DRAW FEDERAL #12-5
SECTION 5, T9S, R16E, S.L.B.&M.
2086' FNL 596' FWL



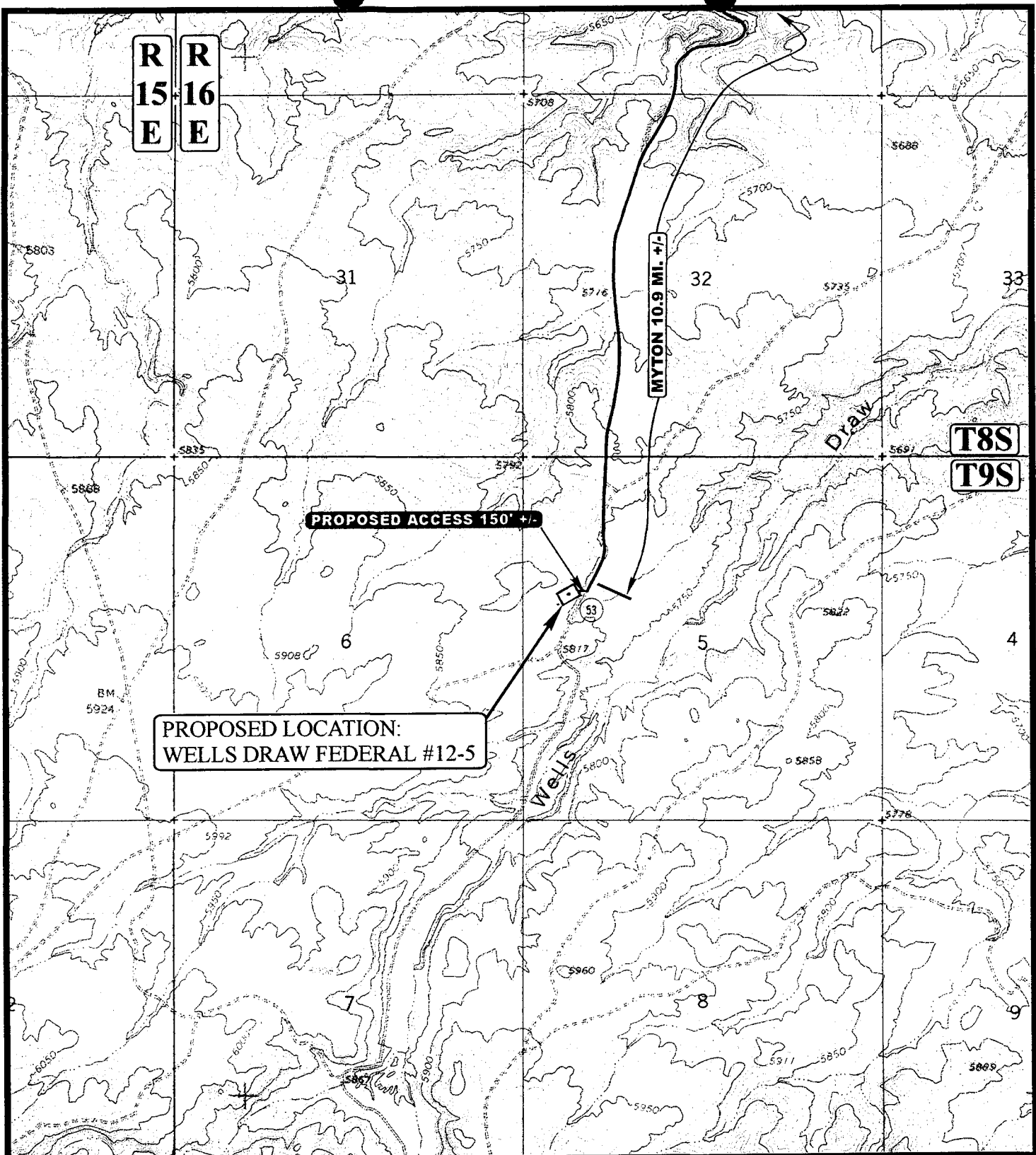
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (801) 789-1017 * FAX (801) 789-1813
 Email: uels@easilink.com

TOPOGRAPHIC
MAP

8 11 197
 MONTH DAY YEAR

SCALE: 1: 100,000 DRAWN BY: C.G. REVISED: 9-5-97

A
TOPO



LEGEND:

--- PROPOSED ACCESS ROAD
 — EXISTING ROAD

CELSIUS ENERGY COMPANY

WELLS DRAW FEDERAL #12-5
 SECTION 5, T9S, R16E, S.L.B.&M.
 2086' FNL 596' FWL



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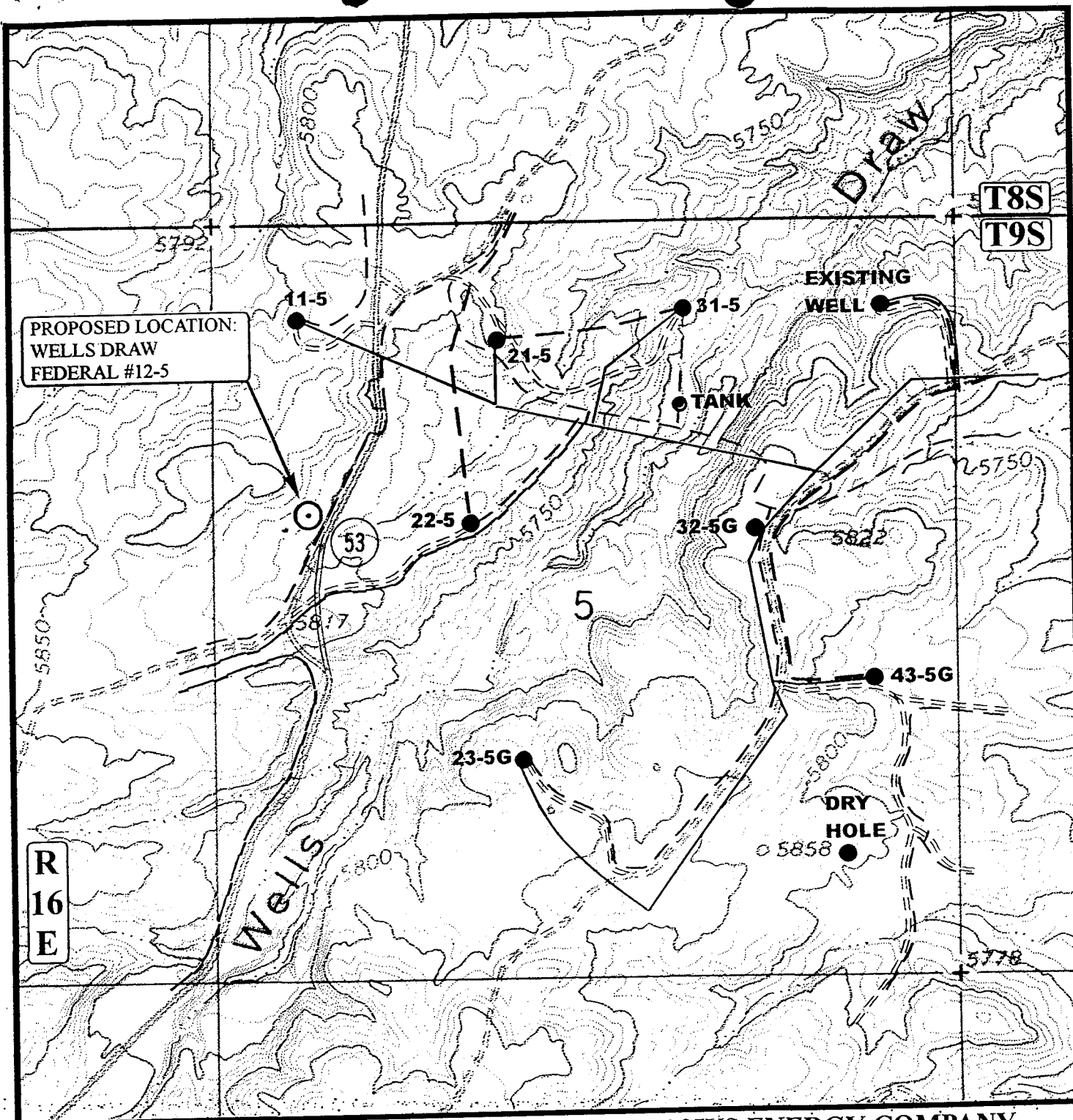


TOPOGRAPHIC
 MAP

8 11 97
 MONTH DAY YEAR

B
 TOPO

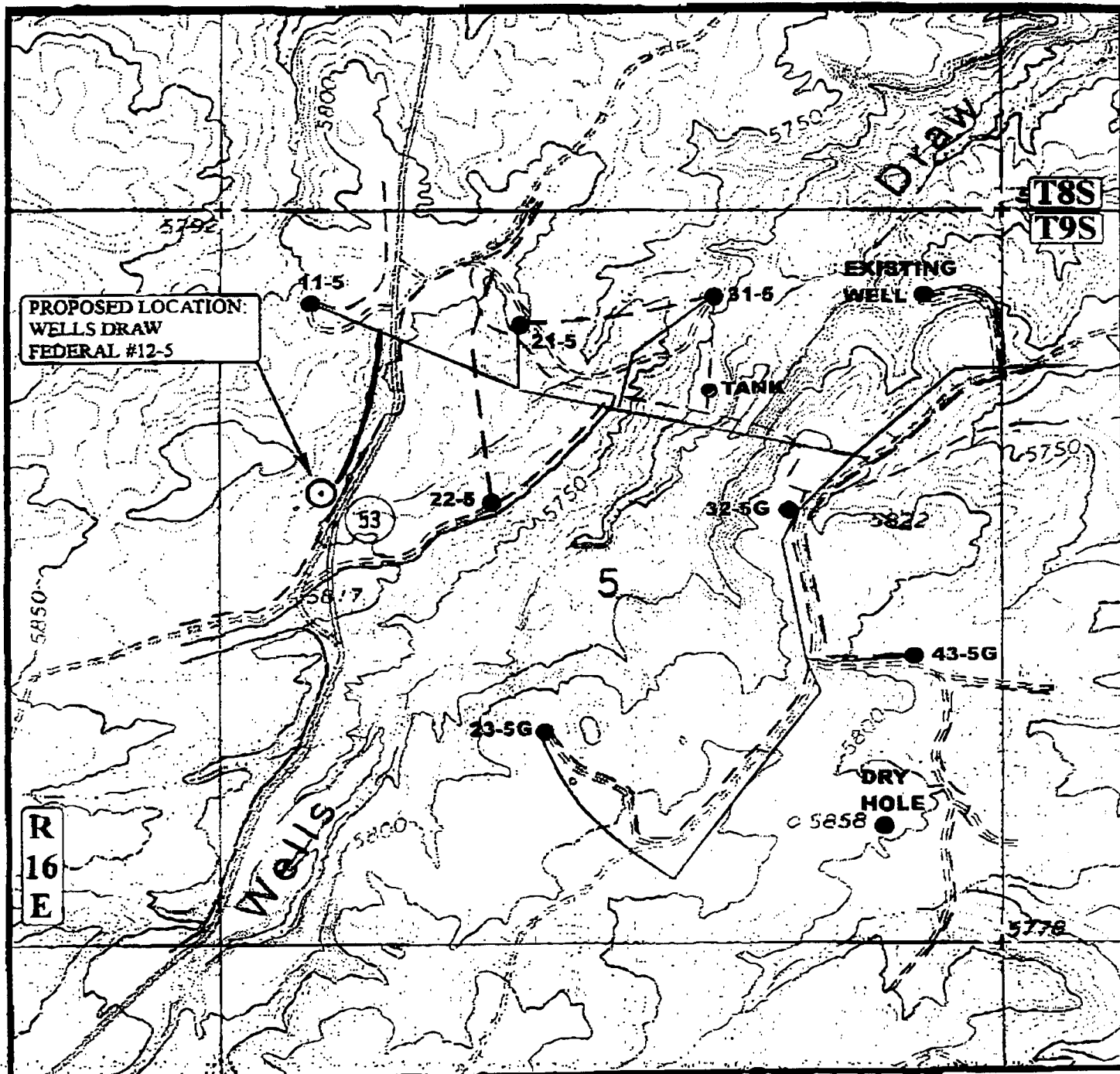
SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 9-5-97



09/23/97 TUE 16:15 FAX 307 352 7789

WEXPRO COMPANY

001

**LEGEND:**

- EXISTING WELL
- EXISTING TANK
- 2" POLY PIPELINE
- 4" POLY PIPELINE
- 4" STEEL PIPELINE
- BURIED PIPELINE
- 1" STEEL PIPELINE
- EXISTING POWERLINE
- EXISTING BURIED POWERLINE

**CELSIUS ENERGY COMPANY**

WELLS DRAW FEDERAL #12-5
SECTION 5, T9S, R16E, S.L.B.&M.
2086' FNL 596' FWL

**AFFIDAVIT OF
SURFACE INSPECTION**



Utah Engineering & Land Surveying
88 South 200 East Vernal, Utah 84078
(801) 789-1017 • FAX (801) 789-1813
Email: uels@earthlink.com

**TOPOGRAPHIC
MAP**

8 11 97
MONTH DAY YEAR

1
TOPO

SCALE: 1" = 1000' DRAWN BY: C.G. REVISED: 9-5-97

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/06/97

API NO. ASSIGNED: 43-013-31950

WELL NAME: WELLS DRAW FEDERAL #12-5
OPERATOR: CELSIUS ENERGY COMPANY (N4850)

PROPOSED LOCATION:

SWNW 05 - T09S - R16E
SURFACE: 2086-FNL-0596-FWL
BOTTOM: 2086-FNL-0596-FWL
DUCHESNE COUNTY
MONUMENT BUTTE FIELD (105)

LEASE TYPE: FED
LEASE NUMBER: UTU - 69744

PROPOSED PRODUCING FORMATION: GRRV

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

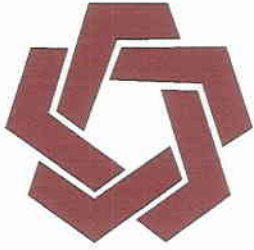
☒ Plat
☒ Bond: Federal ☒ State ☐ Fee ☐
(Number ES 0019)
☒ Potash (Y/N)
☒ Oil shale (Y/N)
☒ Water permit
(Number CITY OF MONTON)
☒ RDCC Review (Y/N)
(Date: _____)

LOCATION AND SITING:

☐ R649-2-3. Unit: _____
☒ R649-3-2. General.
☐ R649-3-3. Exception.
☐ Drilling Unit.
Board Cause no: _____
Date: _____

COMMENTS: _____

STIPULATIONS: _____



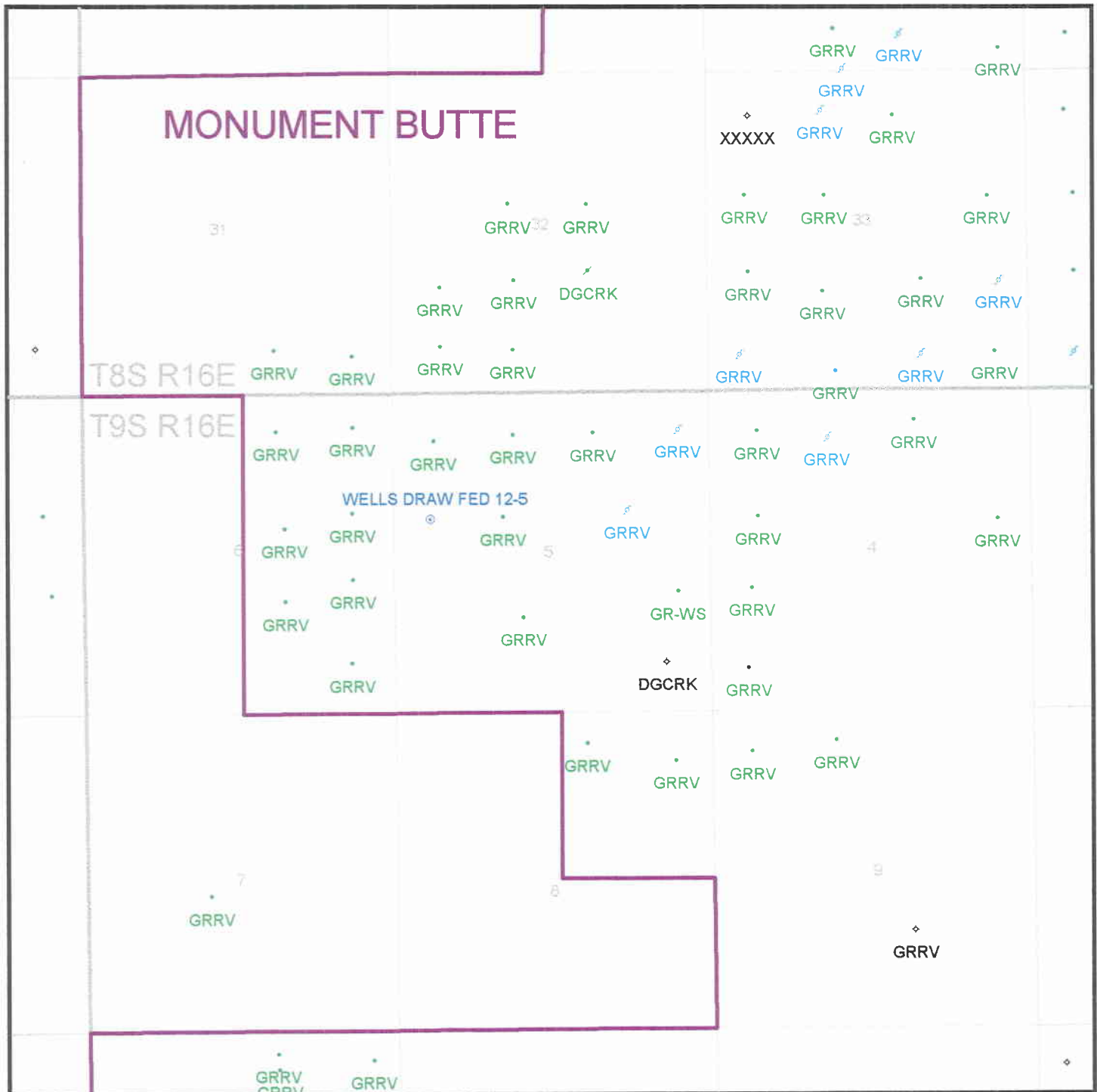
DIVISION OF OIL, GAS & MINING

OPERATOR: CELSIUS ENERGY (N4850)

FIELD: MONUMENT BUTTE (105)

SEC. TWP, RNG: SEC. 5, T9S, R16E

COUNTY: DUCHESNE UAC: R 649-3-2



DATE PREPARED:
7-OCT-1997

Form OGC-1b

SUBMIT IN DUPLICATE*

(Other instructions on reverse side)

**STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING**

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug-back to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals.)

1. OIL <input type="checkbox"/> GAS <input type="checkbox"/> WELL <input checked="" type="checkbox"/> WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-69744	
2. NAME OF OPERATOR CELSIUS ENERGY COMPANY		6. IF INDIAN, ALLOTTEE OR TRIBE NAME ---	
3. ADDRESS OF OPERATOR P. O. BOX 458, ROCK SPRINGS, WY 82902		7. UNIT AGREEMENT NAME ---	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 2086' FNL, 596' FEL, SW NW		8. FARM OR LEASE NAME Wells Draw Federal	
14. PERMIT NO. Pending		8. WELL NO. Wells Draw Federal No. 12-5	
15. ELEVATION (Show whether DF, RT, GP, etc.) 5811' GR		10. FIELD AND POOL, OR WILDCAT Greater Monument Butte	
12. COUNTY or PARISH Duchesne County		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 5-9S-16E	
13. STATE Utah			

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

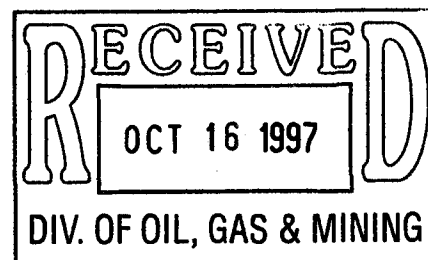
16. NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	
(Other) <input type="checkbox"/>	APD Information <input checked="" type="checkbox"/>	(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The lease for the above well is described as follows:

Section 5: SW NW, Lot 4 (NW NW)

Please refer to the attached well plat for footages and lease boundaries.



18. I hereby certify that the foregoing is true and correct

SIGNED

Title District Production Superintendent

DATE

(This space for Federal or State office use)

APPROVED BY

TITLE

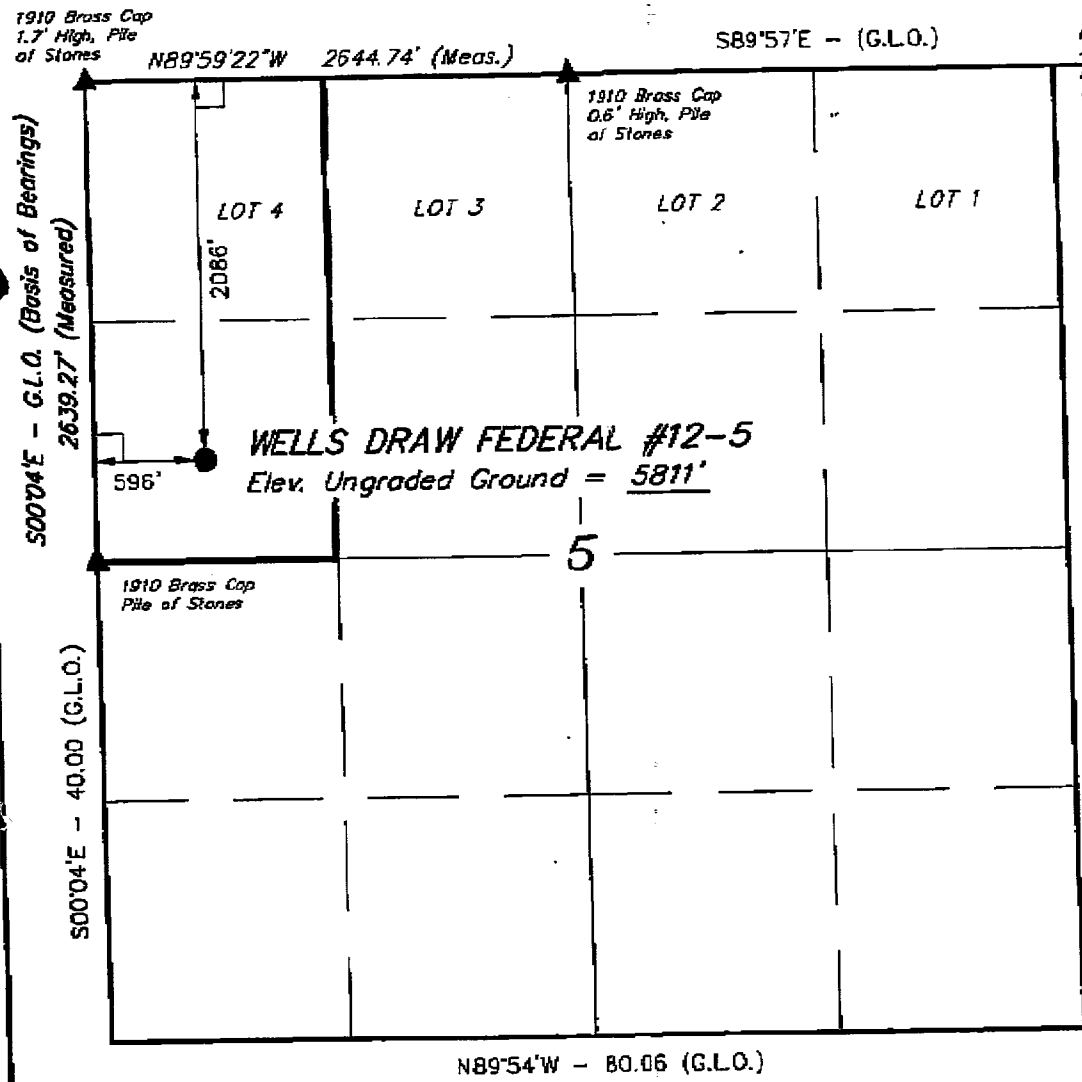
DATE

CONDITIONS OF APPROVAL, IF ANY:

T9S, R16E, S.L.B.&M.

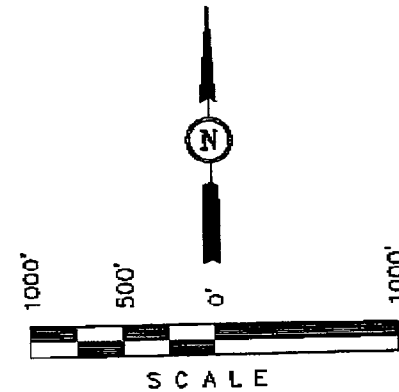
CELSIUS ENERGY CO.

Well location, WELLS DRAW FEDERAL #12-5, located as shown in the SW 1/4 NW 1/4 of Section 5, T9S, R16E, S.L.B.&M. Duchesne County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 5, T9S, R16E, S.L.B.&M. TAKEN FROM THE MYTON SW, QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5792 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert J. Key
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Revised: 09-05-97 D.R.B.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

SCALE 1" = 1000'	DATE SURVEYED: 08-08-97	DATE DRAWN: 08-11-97
PARTY D.K. H.L. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE CELSIUS ENERGY CO.	



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

October 28, 1997

Celsius Energy Corporation
P.O. Box 458
Rock Springs, Wyoming 82902

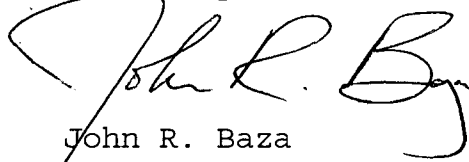
Re: Wells Draw Federal 12-5 Well, 2086' FNL, 596' FWL, SW NW,
Sec. 5, T. 9 S., R. 16 E., Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-31950.

Sincerely,


John R. Baza
Associate Director

lwp

Enclosures

cc: Duchesne County Assessor
Bureau of Land Management, Vernal District Office

Operator: Celsius Energy Company
Well Name & Number: Wells Draw Federal 12-5
API Number: 43-013-31950
Lease: UTU-69744
Location: SW NW Sec. 5 T. 9 S. R. 16 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jim Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact John R. Baza (801)538-5334.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL GAS
WELL ☒ WELL ☐

OTHER

SINGLE MULTIPLE
ZONE ☐ ZONE ☐

2. NAME OF OPERATOR

CELSIUS ENERGY COMPANY

3. ADDRESS OF OPERATOR

P. O. BOX 458, ROCK SPRINGS, WY 82902 (307) 382-9791

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At surface

2086' FNL, 596' FEL, SW NW

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 11 miles south of Myton, Utah

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

596'

16. NO. OF ACRES IN LEASE

80.08

17. NO. OF ACRES ASSIGNED
TO THIS WELL

NA

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED
OR APPLIED FOR, ON THIS LEASE, FT.

None

19. PROPOSED DEPTH

6,000'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5811' GR

22. APPROX. DATE WORK WILL START*

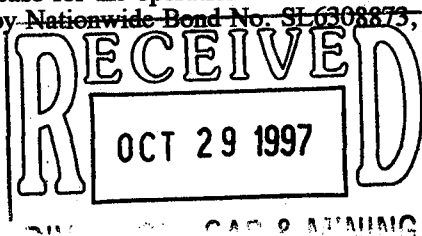
October 15, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
20"	16"	Corrugated Conductor	40'	35.9 cu.ft. of construction cement
12-1/4"	8-5/8"	24	300'	262 cu.ft. of Class "G" with 3% CaCl2
7-7/8"	4-1/2"	11.6	6000'	1503 cu.ft. of Hybond 65 System followed by Class "G" with Cal-Seal.

SEE ATTACHED DRILLING PLAN

Please be advised that Celsius Energy Company is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Nationwide Bond No. SL6308873, BLM Bond No. ES0019.



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] District Production Superintendent

SIGNED

TITLE

DATE 10/2/97

(This space for Federal or State office use)

NOTICE OF APPROVAL

PERMIT NO.

APPROVAL DATE

Assistant Field Manager

APPROVED BY [Signature]
CONDITIONS OF APPROVAL, IF ANY:

TITLE

Mineral Resources

DATE OCT 27 1997

CONDITIONS OF APPROVAL ATTACHED
TO OPERATOR'S COPY

* See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

11-080-8M-001

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Celsius Energy Company

Well Name & Number: Wells Draw Federal 12-5

API Number: 43-013-31950

Lease Number: UTU-69744

Location: SWNW Sec. 05 T.95S R. 16E

NOTIFICATION REQUIREMENTS

- | | | |
|---------------------------------|---|---|
| Location Construction | - | at least forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion | - | prior to moving on the drilling rig. |
| Spud Notice | - | at least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests. |
| First Production Notice | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative by the operator to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report **ALL** water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 3M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

If conductor pipe is set it will be cemented to surface. If drive pipe is used it will be pulled prior to cementing surface casing.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected via the cementing program. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

The Gamma Ray and Induction Logs need to be pulled from TD to the Surface Shoe.

A cement bond log (CBL) will be run from the production casing shoe to **Top Of Cement** and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. One copy of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours **prior** to spudding the well.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.), and shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted following initial installation and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approval or notification is necessary, please contact one of the following individuals:

Wayne Bankert (801) 789-4170
Petroleum Engineer

Ed Forsman (801) 789-7077
Petroleum Engineer

Jerry Kenczka (801) 789-1190
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.

SURFACE USE PROGRAM
Conditions of Approval (COAs)

METHODS FOR HANDLING WASTE MATERIALS AND DISPOSAL

The reserve pit shall be lined with a synthetic liner that is a minimum of 12 mil thickness with sufficient bedding to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit.

Plans For Reclamation Of Location

When reclaiming the reserve pit, the pit liner will be torn and perforated before backfilling the reserve pit and the torn liner will be buried a minimum of four (4) feet deep.

The reserve pit and those portions of the location not needed for production facilities and/or operations shall be reclaimed and recontoured in accordance with the APD.

Stockpiled topsoil shall then be spread over the rehabilitated areas to approximate the original topsoil thickness.

Immediately after spreading, the rehabilitated areas and the remaining topsoil stockpile shall be seeded by drilling with the following seed mixture:

needle ant thread	Stipa comata	3 lbs/acre
Shadscale	Atriplex confertifolia	3 lbs/acre
Fourwing saltbush	Atriplex canescens	4 lbs/acre
Galleta	Haliaria jamesii	2 lbs/acre

If the seed mixture is to be aurally broadcasted, the pounds per acre shall be doubled. All seed poundages are in Pure Live Seed.

Upon final abandonment if additional recontouring is needed for these areas, the topsoil shall be removed prior to the final recontouring.

All topsoil shall be spread over the recontoured surface.

Other Information

Mountain Plover

According to the timeframes listed on the following chart and prior to new construction and drilling activities, a detailed survey of the area within 0.5 mile of a proposed location and 300 feet either side of the center line of a proposed access route will be made by BLM or a qualified biologist to detect the presence of plovers. Extreme care shall be exercised to locate plovers due to their highly secretive and quiet nature. Where possible, the survey shall first be made from a stationary vehicle. All plovers located will be observed long enough to determine if a nest is present. If no visual sightings are made from the vehicle, the area will be surveyed again on foot.

Starting Date of Construction or Drilling Activity	Number of Surveys
From March 15 through April 15	1
From April 16 through July 15	2
From July 16 through August 15	1

The surveys will be conducted no more than 14 days prior to the date actual construction or drilling activities begin. If two surveys are required, they will be made at least 14 days apart with the last survey no more than 14 days prior to the start-up date.

If an active nest or chicks are found in the area, the planned activity will be delayed until the chicks are out of downy plumage; the brood vacates the area of influence; or, the nest has failed.

Surface line installation.

1. No installation of the proposed surface gas line as depicted in Exhibit G of the APD will be performed during periods when the soil is too wet to adequately support installation equipment. If such equipment creates ruts in excess of three inches deep, the soil will be deemed too wet to adequately support this equipment.
2. The surface gas line **will follow the access road**. Where possible the installers will confine their work and vehicles to the road surface as much as is technically possible. And the line will be as close to road as possible without interfering with normal road travel or maintenance.
3. All surface lines will be either black or brown in color.
4. Any surface disturbance occurring that is significant to the authorized officer, may require the operator to perform reclamation work on that area to return the disturbed area to near natural contours and vegetation.
5. If the line is to be installed between March 15 through August 15 the condition for mountain plover described for the well location above will be required.

A complete copy of the approved APD, if applicable, shall be on location during the construction of the location, and drilling activities.

12-4-48



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office
170 South 500 East
Vernal, Utah 84078-2799

Phone: (435) 781-4400
Fax: (435) 781-4410

IN REPLY REFER TO:
3162
UT08300

November 19, 1998

Celsius Energy Corporation
P O Box 458
Rock Springs, Wyoming 82902

Re: *43-012-31950*
Notification of Expiration
Well No. Wells Draw Fed. 12-5
Section 5, T9S, R16E
Lease No. U-69744
Duchesne County, Utah

Gentlemen:

The Application for Permit to Drill the above-referenced well was approved on October 27, 1997. Since that date, no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Margie Herrmann

Margie Herrmann
Legal Instruments Examiner

cc: State Div. OG&M

*DOGm
LA
DATE*

